

1 today. Even if one doesn't agree with everything  
2 everyone said, how can you not feel the passion and  
3 the concern for our country, for our democracy, for  
4 human beings, for liberty. It's hard to miss that. And  
5 that means if we are the owners, we the people, of the  
6 media you are the trustees and ought to be, and I  
7 trust will be, the guardians of this for all of us.  
8 That's the role.

9 I hope you'll act in a less supine way  
10 than some of our congress people in what they have  
11 done recently vis-à-vis war, vis-à-vis our rights.  
12 It's hard to believe that Americans can be so  
13 forgetful of our history and our need and our wants,  
14 and our rights and of all human beings as to do the  
15 kinds of things or not do the kinds of things that  
16 have been done.

17 I'd like to see this Commission,  
18 Republicans and Democrats, live up to the highest  
19 traditions of your parties. And there are low aspects  
20 of your parties, too, but there are high expects in  
21 the history. I needn't point them out. Live up to  
22 them and exercise your role as real guardians for the  
23 people, for the public interest. And remember, I would  
24 say that a collateral corporate control and  
25 concentration, consolidation of the media is not in

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1 the best interests of the democracy of the people. It  
2 is really incompatible and inimical, just as I would  
3 say and you may not agree with me, that an empire, a  
4 militaristic empire is inherently inimical or  
5 incompatible with a democratic republic. Keep this  
6 mind. And I hope you'll do your duty and be fearless  
7 in this regard, and pay attention to what people have  
8 said here today. You may not agree with every point  
9 of view, but the essence, the feeling, the concern,  
10 the knowledge should be impressive to you as it was to  
11 me.

12 And I'd like to say one final thing. I'd  
13 like to have some feedback, some dialogue from you.  
14 Even this evening with a few of us, a little feedback.  
15 What are you feelings, impressions of the comments  
16 you've heard today.

17 MODERATOR RIVERA: Thank you.

18 MR. FOYER: Because what we need is more  
19 dialogue, less diatribe, more debate, less debasing.  
20 That's what we need. And we can even make a small  
21 example tonight.

22 Thank you.

23 MODERATOR RIVERA: Thank you very much.  
24 Thank you very much.

25 Mr. Fredericks? Charles Fredericks? You

1 have two minutes, Mr. Fredericks?

2 MR. FREDERICKS: Thank you all for coming.  
3 I'm sorry Chairman Martin could not attend.

4 My name is Charles Fredericks. I am a  
5 carpentry and a documentary filmmaker. I was  
6 preparing for a career in broadcast journalism until  
7 I spent a summer in the news department of an NBC  
8 affiliate during the O.J. Simpson trial. That was  
9 enough to convince me to change my plans.

10 The recently exposed study on local  
11 ownership that was apparently suppressed under the  
12 Chairmanship of Michael Powell demonstrates that the  
13 further ownership is removed from the community  
14 served, the less relevant are the needs of communities  
15 to ownership. Our media then comes to reflect only  
16 the owner's needs to our communities. Why should we  
17 care?

18 Well, I know that in 2003 there were over  
19 2 million comments received. But rhetorically why  
20 does it matter whether 90 percent of what we are  
21 exposed to in the way of information is controlled by  
22 six major corporations with cross ownership with arms  
23 manufacturers, as it at present, or fewer or whether  
24 AT&T is allowed to purchased Bell South, or whether  
25 the telecom companies are granted permission to erect

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1 a toll road in the way of all individuals and  
2 businesses who now use the internet to communicate  
3 freely with one other?

4 As broadcast media staff positions become  
5 easily replaceable corporate cogs, employees quickly  
6 learn that in exchange for a pay check and perhaps a  
7 moment before the lights, the last thing they are  
8 expected to do is pass on any information those who  
9 write their checks may consider challenging.

10 If the internet becomes another pay to  
11 play enterprise, its present democratizing effect will  
12 be lost as individual voices are drowned out by the  
13 ones who can purchase the largest megaphone, much as  
14 our current broadcast system as evolved into.

15 Our broadcast news managers have been  
16 allowed to become the gatekeepers of DNRs and  
17 infotainment that use fear, peer pressure and  
18 arrogance to inform us how we are expected to think.  
19 What passes for real information is interspersed  
20 between ads that bear no obligation to the truth and  
21 story lines, narrative story lines full of product  
22 placements that bear the stamp of approval from  
23 corporate overseers. How can we make appropriate  
24 decisions for our future when the appropriate  
25 information is spun or withheld altogether by

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1 corporations positioned to gain by our ignorance. The  
2 status quo, let alone the three issues I've raised, is  
3 perfectly suited to the maintenance of a fascist  
4 state, a potent term, but loosely translated one where  
5 the interest of corporations serve the interests of  
6 governments --

7 MODERATOR RIVERA: Mr. Fredericks, you're  
8 over your time.

9 MR. FREDERICKS: -- and vice versa.

10 MODERATOR RIVERA: Thank you so much.

11 Mr. Mendelson? Mr. Mendelson?

12 Mr. Mendelson, you have two minutes, sir.

13 MR. MENDELSON: Thank you.

14 First, I wanted to thank the Commission,  
15 the Commissioners for being here. It's a long night  
16 and we all know that democracy is messy, but it's very  
17 necessary to be doing what we're doing here. And I  
18 wanted to very much thank the two Commissioners that  
19 have been very up front about making sure that we have  
20 a voice.

21 My name is Ben Mendelson. I'm the  
22 President of the Interactive Television Alliance.  
23 We're a four year old non-profit trade association  
24 501(c)6. Our members are 90 companies that are  
25 developing up next generation next television.

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1 Up until now, and I was here earlier at the USC,  
2 most of the discussion has been rather emotional and  
3 rightfully so, and a lot about diversity and human  
4 issues.

5 I want to sort of bring up some sort of  
6 rational business stuff that hasn't really been talked  
7 about. And that's the effect of the consolidation.  
8 The negative effect of consolidation towards  
9 innovation and technology.

10 And I represent a lot of large companies.  
11 ComCast is on my Board of Directors. Disney is on my  
12 Board of Directors. So I have to be careful because  
13 I'm representing their interests.

14 What we found out historically, and I  
15 would like to say that under normal circumstances I  
16 think a lot of us would be thinking, particularly  
17 those of a libertarian bent, that the consolidation  
18 and bringing resources together would make more  
19 efficiencies and would create innovation. We've found  
20 the opposite to be true.

21 What's happened, it's interesting because  
22 I met Chairman -- Kevin, a few years back in 2002 at  
23 a conference. And at the time EchoStar and DIRECTV  
24 were going to be put together and they were going to  
25 potentially merge. It didn't happen. And what

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1 happened instead was DIRECTV was taken over by News  
2 Corp. And it's a longer story. But basically that's  
3 a great example of what happened. The smaller  
4 company, EchoStar, started innovating and they are the  
5 leaders of interactive television in the industry  
6 right now. The company that became larger, the  
7 DIRECTV and News Corp, which everybody felt would be  
8 better, has not. And, as a matter of fact, has held  
9 up the industry. And I would love to expand on that  
10 at another time, but my time is up.

11 And, again, I want to thank you.

12 MODERATOR RIVERA: Thank you.

13 Commissioner Copps, that's the end of my  
14 list.

15 COMMISSIONER COPPS: Thank you all for  
16 sticking with us. The hour is late. We've heard  
17 hundreds of comments today from an amazing cross  
18 section of citizens, both down at USC and here El  
19 Segundo.

20 We are grateful for this input. I think  
21 we all have a better appreciation of the extent of  
22 concern, the depth of feeling, the passion as our  
23 friend said out there that the people have over the  
24 future of our media, also known as the future of your  
25 airwaves.

1           The dialogue doesn't end tonight, and I  
2           hope nobody thinks that it does. I hope all of you  
3           who feel strongly about this issue will continue to  
4           speak out on it. You can make a huge difference. You  
5           did once before.

6           I want to thank Henry Rivera for the  
7           excellent, difficult job that he had. He did an  
8           excellent job in doing that tonight. Let's give him a  
9           round of applause.

10           (Applause).

11           MODERATOR RIVERA: Thank you.

12           COMMISSIONER COPPS: And I want to thank  
13           all the members of our FCC team who are here tonight,  
14           the members of our personal staffs. the folks from the  
15           Bureau, the technical people, the engineers that made  
16           all this happen. A lot of work went into this.

17           (Applause).

18           COMMISSIONER COPPS: And with that, I'm  
19           going to say good night.

20           First, let me ask my colleagues if any of  
21           them would like to make a statement. Mr. Adelstein?

22           COMMISSIONER ADELSTEIN: Just very  
23           briefly. I'd also like to add my thanks to Henry for  
24           a fine job and to all the FCC staff who put so much  
25           work into this. And, of course, all the people who

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1 participated, the panelists. But we really learn a  
2 lot from you every time we come out we hear a lot of  
3 wisdom. And I think tonight's no exception. We heard  
4 a lot of wisdom. A lot of real thought.

5 I just want to say that we will take your  
6 message back to Washington. We're carry your message  
7 into this proceeding and the message has been  
8 delivered. Thank you.

9 (Applause).

10 COMMISSIONER COPPS: Okay. I think we  
11 stand adjourned. Thank you very much.

12 (Whereupon, at 11:15 p.m. the public  
13 hearing was adjourned.)  
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**CERTIFICATE**

This is to certify that the foregoing transcript  
in the matter of: Media Ownership

Before: Federal Communications Commission

Date: October 3, 2006

Place: El Segundo, California

represents the full and complete proceedings of the  
aforementioned matter, as reported and reduced to  
typewriting.

  
Mike Williamson